

ASSEMBLY BILL

No. 2438

Introduced by Assembly Member Chu

February 23, 2006

An act to amend Section 20630 of the Government Code, relating to public employees' retirement, making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2438, as introduced, Chu. Public employees' retirement: compensation.

The Public Employees' Retirement Law defines the term "compensation" for purposes of determining required contributions and benefits. That law generally requires a miscellaneous member to pay 6 percent and a school member to pay 7 percent of compensation as his or her normal retirement contribution to the Public Employees' Retirement System. Member contributions are made to the Public Employees' Retirement Fund, a continuously appropriated fund.

This bill would additionally define compensation to include, if the member is a school employee of a school district, industrial disability leave paid to that member. Because this bill would expand the definition of compensation of a member who receives industrial disability leave and thereby increase member contributions to the Public Employees' Retirement Fund, this bill would make an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 20630 of the Government Code is
2 amended to read:
3 20630. (a) As used in this part, “compensation” means the
4 remuneration paid out of funds controlled by the employer in
5 payment for the member’s services performed during normal
6 working hours or for time during which the member is excused
7 from work *because of any of the following: ~~holidays; sick~~*
8 (1) *Holidays.*
9 (2) *Sick leave; ~~industrial.~~*
10 (3) *Industrial* disability leave, during which, benefits are
11 payable pursuant to Sections 4800 and 4850 of the Labor Code
12 or, Article 4 (commencing with Section 19869) of Chapter 2.5 of
13 Part 2.6; ~~vacation; compensatory~~, or *Section 44043 of the*
14 *Education Code.*
15 (4) *Vacation.*
16 (5) *Compensatory* time off; ~~or leave.~~
17 (6) *Leave of absence.* ~~When~~
18 (b) *When* compensation is reported to the board, the employer
19 shall identify the pay period in which the compensation was
20 earned regardless of when reported or paid. Compensation shall
21 be reported in accordance with Section 20636 and shall not
22 exceed compensation earnable, as defined in Section 20636.